

Developmental Disabilities Administration

FY2012 Absence Day Policy and Frequently Asked Questions

Absence Day Policy

Historically, DDA paid providers standard daily rates when people did not attend the Fee Payment System (FPS) programs. Beginning July 1, 2011, DDA will pay an increased rate for present days in these programs and for up to thirty-three approved bed hold days in Residential programs. For Day Habilitation and Supported Employment programs, DDA will eliminate payment for absence days on which matching federal funds cannot be claimed. However, DDA will evaluate the absence day losses to providers of Fee Payment System services and will determine the amount for which a provider agency may be held harmless compared to FY10 levels.

Comparison of the revenue earned in FY10 and FY12 for present and approved absence days is made for FPS services paid in PCIS2. Eligible potential losses are computed and a comparison is made **for the agency as a whole** (i.e. not by FPS program or by individual). A DDA absence day payment comparison report calculates payments for present and approved absence days on an individual basis, and compares the total the revenue earned by provider in FY12 and what would have been earned in FY10 given the FY10 standard daily rates.

PCIS2 contains a monthly provider report that compares FY2012 actual attendance and residential program bed hold days at FY2012 rates against FY2012 actual attendance, bed hold days, and approved absences at FY2010 rates. If payment at FY2012 rates is less than what payment would have been for present days and approved absences using FY2010 rates, the PCIS2 report displays the potential FPS loss at that point in time.

Once attendance has been certified for December, the FPS service provider may submit request for funds covering the potential year to date shortfall that exists at that point in time. DDA providers will be paid prospectively for the first four months of FY12. DDA will review the request to determine if interim funding will

be paid to the provider and the amount payable at that point in time. The provider may repeat the process once attendance has been certified for March and again for June.

Examples:	Residential	Day Habilitation	Supported Employment	Net Amount
	Potential Loss			
FY12 Rate	\$1010	\$497	\$700	
FY10 Rate	\$1000	\$500	\$702	
Difference	\$+10	\$-3	\$-2	\$+5 (No net loss)
FY12 Rate	\$1000	\$500	\$700	
FY10 Rate	\$1005	\$495	\$705	
Difference	\$-5	\$+5	\$-5	\$-5 (Net loss)
FY12 Rate	\$1000	\$500	\$695	
FY10 Rate	\$990	\$510	\$695	
Difference	\$+10	\$-10	\$0	\$0 (No net loss)

Note: The comparison is based on the actual number of individuals served in FY12.

FAQS

The following frequently asked questions (FAQS) relate to comparing the effect of the FY2012 change in the payable absence day compensation process.

QUESTION: Which days will providers be paid for?

ANSWER: Providers will be paid for present days and can be held harmless for approved absence days to the extent the provider's FPS programs experience certain losses compared to FY10.

QUESTION: How are losses calculated?

ANSWER: Loss are calculated as the difference between the amount a provider is paid for present days using FY2012 rates and the amount a provider would have been paid for FY2012 present days plus approved absence days at the FY2010 rates.

QUESTION: If absence days are non-payable why do absences have to be approved by DDA?

ANSWER: Providers will record attendance and absence days in FY2012 in the same manner days were recorded in FY2010. People are absent for a variety of reasons but all absences aren't approved. To be included in the determination of potential losses due to absences, DDA will continue to make a determination of whether or not an absence is eligible for consideration as an approved absence day. Up to 35 absence days (V days) per person may be recorded in PCIS2 for FY2012 without seeking DDA approval.

QUESTION: Absences approved by one region may be denied in another. Can DDA provide a list of days that will not be approved?

ANSWER: While DDA can pay for only those absence days on which the state can receive federal matching funds, providers will record absence days in order for PCIS2 to compute the hold harmless report. Individuals' circumstances will vary and DDA will honor reasonable requests for approval of absence days. The following lists examples of absences that may not be approved:

V days beyond 35 vacation days.

A days.

Confinement to DDA forensic center.

Confinement to jail over 15 calendar days.

Agency suspends the person.

Agency refuses to serve person.

Person refuses to attend the program.

Absence requested by family for which no acceptable reason provided.

Absence will be disallowed if medical incapacity precludes participate in a program for more than 30 calendar days. This standard does not apply for reasons

such as recuperation from surgery which will be allowed within reason and with adequate documentation.

Occasional absences to attend funerals or other events and illnesses without medical documentation will count toward the 35 V days.

QUESTION: For which certain losses will providers be held harmless?

ANSWER: Eligible losses are losses in FPS programs that are not offset by gains in other FPS programs. For providers with a single FPS program, the eligible loss is the program loss.

QUESTION: When will potential losses be reconciled?

ANSWER: Providers may access potential loss data in PCIS2 monthly beginning with certified attendance for the first month of the fiscal year. Requests to receive hold harmless payments may be submitted to DDA quarterly after the close of the second quarter.

QUESTION: Can a person in day services use someone else's absent days?

ANSWER: A person's service funding plan is based on the approved number of days he may attend a program. At this time, it is not possible for a person to attend a program without an approved service funding plan.

QUESTION: Does the 1.38% cost of living allowance in CSLA, ISS, FISS, and RC apply to ND?

ANSWER: Yes. People served in New Directions also receive the 1.38% cost of living allowance.

QUESTION: How is the rate increase applied?

ANSWER: FY2012 increases have been applied as an increase to the health/medical and supervision/assistance daily rates with the hold harmless amount specified in the rate table. The percentage increase was computed on all components inclusive of the provider rate.

QUESTION: Will the hold harmless policy continue beyond FY2012?

ANSWER: This cannot be determined at the present time. The Department will evaluate the data obtained from the implementation of the FY2012 hold harmless policy and present findings to the State when it presents the FY13 budget.

QUESTION: Can day programs have a make-up day?

ANSWER: Services not provided on an inclement weather day can be made up with DDA approval. If the local school district closes schools, the provider agency may submit a written request to change the operational day calendar – switching a scheduled closure day to an open day.

QUESTION: Can Saturday and Sunday be added to the operational day calendar in PCIS2?

ANSWER: Yes. All days of the week are eligible for Supported Employment services.

QUESTION: What are the new rates for Day/SE/Residential?

Present day payment rates for day services increased by 15.6%, for supported employment 15.4%, and residential services by 1.7%.

QUESTION: How were the new rates determined?

The rates were adjusted to all for the maximum financial benefit to providers using FY2010 payment and absence data.

QUESTION: What will the new prospective payment schedule be?

The prospective payment system has not changed. Providers will continue to receive quarterly advances at the beginning of the fiscal quarter equal to 4 months projected earnings in the first quarter, 3 months in the second and third quarters, and 2 months in the fourth quarter.

QUESTION: How will the prospective payments differ from previous years?

Prospective payments will not differ from previous years. The policy change is absent days are not payable with the exception of up to 33 bed-hold days in the residential program.

QUESTION: How will DD hold providers harmless during the year? And, how will actual present days be reconciled with the anticipated present days?

Providers will be held harmless by comparing FY2012 payable days at FY2012 rates to FY2012 payable days at the FY2010 rates using the FY2010 payable and absence day policy. If the difference shows less DDA revenue to the provider, DDA will pay the difference to the provider to hold the provider harmless.

QUESTION: How will DDA provide hold harmless information?

Provider will access hold harmless data via the PCIS2 reports module. Reports will be available comparing the FY2012 payment per person against what it would have been without a change to the absence day policy.

QUESTION: What impact will the Alcohol Beverage Tax have on provider operations?

DDA will receive funds to serve additional people in the community.

QUESTION: Will DDA change the rules on the ability to switch an individual's service category (e.g. from Day to SE) without seeking explicit approval from DDA?

DDA will clarify the issue within the coming weeks.

QUESTION: How will the increased rates be applied with respect to per person/add-ons/matrix formulas?

ANSWER: Isolating the absence day rate increase as a component for FY2012 is desirable until the actual effect of the policy on provider with various capacities (e.g. high medical needs) can be evaluated.

QUESTION: If providers have questions for DDA, who should they contact?

ANSWER: Please contact the regional office for programmatic questions. Rate questions should be referred to Carrie Phillip, DDA CFO, at 410-767-5996. PCIS2 questions should be referred to the help desk.

QUESTION: When will providers be formally notified of the FY2012 rates?

ANSWER: Providers were sent rate letters on June 1, 2011 via fax and first class mail.